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**Tangshan Guokong Science and Technology  
Innovation Investment Group Co., Limited**  
唐山國控科技創新投資集團有限公司  
*(Incorporated in Hong Kong with limited liability)*



**China Titans Energy Technology Group Co., Limited**  
中國泰坦能源技術集團有限公司\*  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 2188)**

### **JOINT ANNOUNCEMENT**

**(1) WAIVER OF CONDITIONS PRECEDENT AND COMPLETION OF  
SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE;  
(2) MANDATORY CONDITIONAL CASH OFFERS BY  
GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED  
FOR AND ON BEHALF OF THE OFFEROR TO ACQUIRE  
ALL THE ISSUED SHARES OF  
CHINA TITANS ENERGY TECHNOLOGY GROUP CO., LIMITED  
(OTHER THAN THOSE ALREADY OWNED BY AND/OR AGREED  
TO BE ACQUIRED BY THE OFFEROR AND/OR THE PARTIES  
ACTING IN CONCERT WITH IT) AND FOR THE CANCELLATION OF  
ALL THE OUTSTANDING OPTIONS OF  
CHINA TITANS ENERGY TECHNOLOGY GROUP CO., LIMITED; AND  
(3) APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

*Financial adviser to the Offeror*



**Guotai Junan Capital Limited**

*Offer agent to the Offeror*



**Guotai Junan Securities (Hong Kong) Limited**

*Independent Financial Adviser to the Independent Board Committee*



### **WAIVER OF CONDITIONS PRECEDENT AND COMPLETION OF SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE**

References are made to the circular of the Company dated 18 November 2022 and the announcements of the Company dated 18 October 2022 and 12 December 2022 in relation to, among other things, the Subscription Agreement entered into between the Company and the Offeror and the possible mandatory general offer pursuant to Rule 3.7 of the Takeovers Code, and the announcements of the Company dated 12 January 2023, 10 February 2023, 10 March 2023, 31 March 2023 and 28 April 2023 in relation to monthly update pursuant to Rule 3.7 of the Takeovers Code and extension of long stop date.

Pursuant to the Subscription Agreement, Completion is subject to the fulfillment or waiver of certain conditions precedent, including but not limited to, the approval of the Whitewash Waiver at a duly convened extraordinary general meeting of the Company. As stated in the announcement of the Company dated 12 December 2022, while the resolution relating to the Subscription was passed, the resolution relating to the Whitewash Waiver was not passed at the extraordinary general meeting of the Company held on 12 December 2022. On 11 May 2023, Tangshan Guokong issued to the Company a notice in writing to waive the conditions precedent requiring the passing of the necessary resolution at a duly convened extraordinary general meeting to approve the Whitewash Waiver by special resolution and the satisfaction of all conditions attached to the Whitewash Waiver granted by the Executive, being conditions precedent (c) and (d) as set out in the circular of the Company dated 18 November 2022, such that Completion shall no longer be conditional on the fulfillment of these conditions precedent.

Following the waiver of the aforementioned conditions precedent, all conditions precedent of the Subscription Agreement have been fulfilled or waived (as the case may be) and Completion took place on 11 May 2023 (after trading hours) as agreed in writing by Tangshan Guokong and the Company, the Offeror paid the total consideration of the Subscription to the Company on the same date.

#### **MANDATORY CONDITIONAL CASH OFFERS**

Before Completion, neither the Offeror nor any party acting in concert with it owned (or had control or direction over) any Shares. Upon Completion which took place on the date of this joint announcement, the Offeror and parties acting in concert with it own 566,970,000 Shares, representing 38.00% of the total issued share capital of the Company as enlarged by the issue and allotment of the Subscription Shares.

Pursuant to Rule 26.1 of the Takeovers Code, upon Completion, the Offeror is required to make a mandatory conditional cash offer for all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror and the parties acting in concert with it). Pursuant to Rule 13 of the Takeovers Code, the Offeror will make an appropriate cash offer to the Offer Optionholders to cancel all the Offer Options.

Accordingly, Guotai Junan Securities will, for and on behalf of the Offeror, make the Offers in compliance with the Takeovers Code on the following basis:

**For each Offer Share ..... HK\$0.34 in cash**

The Share Offer Price of HK\$0.34 is equal to the Subscription Price of the Subscription Shares under the Subscription Agreement. The Offer Shares to be acquired under the Share Offer shall be fully paid and clear of any Encumbrances and together with all rights and interests attaching thereto, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the Share Offer is made, being the date of the despatch of the Composite Document. The Company has no intention to make any distribution or declare dividends before the close of the Offers. As at the date of this joint announcement, the Company has no outstanding dividends which have not been paid.

### **The Option Offer**

**For the cancellation of each of Offer Options ..... HK\$0.0001 in cash**

Pursuant to Rule 13 and Practice Note 6 of the Takeovers Code, the Option Offer Price would normally represent the difference between the exercise price of the Options and the Share Offer Price. As the outstanding Options have an exercise price of HK\$0.445 and HK\$0.343 per Option, which is above the Share Offer Price of HK\$0.34, and are therefore out-of-the-money, the Option Offer Price for the cancellation of each of the Offer Options will be a nominal cash amount of HK\$0.0001.

### **THE INDEPENDENT FINANCIAL ADVISER**

The Board, with the approval of the Independent Board Committee, has appointed China Sunrise Capital Limited as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offers, and in particular, as to whether the Offers are fair and reasonable and as to the acceptance of the Offers pursuant to Rule 2.1 of the Takeovers Code.

### **DESPATCH OF COMPOSITE DOCUMENT**

Pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch an offer document containing the terms of the Offers, together with the Form(s) of Acceptance, to the Offer Shareholders and Offer Optionholders within twenty-one (21) days after the date of this joint announcement, or such later date as the Executive may approve.

It is the intention of the Offeror and the Company to combine the offer document and the offeree board circular into the Composite Document. Accordingly, the Composite Document containing, among other things, (i) the details of the Offers (including the expected timetable and terms of the Offers); (ii) a letter of recommendation from the Independent Board Committee in relation to the Offers; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in relation to the Offers, together with the Form(s) of Acceptance, will be issued and despatched by the Offeror and the Company jointly to the Offer Shareholders and the Offer Optionholders in accordance with the Takeovers Code.

### **WARNING**

**Shareholders, Optionholders and potential investors should note that the Independent Board Committee has yet to consider and evaluate the Offers. The Directors make no recommendation as to the fairness or reasonableness of the Offers or as to the acceptance of the Offers in this joint announcement. Shareholders and Optionholders should read the Composite Document carefully, including the recommendations of the Independent Board Committee in respect of the Offers and a letter of advice from the Independent Financial Adviser, before forming a view on the Offers.**

**Shareholders, Optionholders and potential investors are advised to monitor the announcements to be made by the Company or jointly by the Offeror and the Company in respect of the progress of the Offers and exercise caution when dealing in the securities of the Company. If Shareholders, Optionholders and potential investors are in any doubt about their position, they should consult their professional advisers.**

References are made to the circular of the Company dated 18 November 2022 and the announcements of the Company dated 18 October 2022 and 12 December 2022 in relation to, among other things, the Subscription Agreement entered into between the Company and the Offeror and the possible mandatory general offer pursuant to Rule 3.7 of the Takeovers Code, and the announcements of the Company dated 12 January 2023, 10 February 2023, 10 March 2023, 31 March 2023 and 28 April 2023 in relation to monthly update pursuant to Rule 3.7 of the Takeovers Code and extension of long stop date.

## **WAIVER OF CONDITIONS PRECEDENT AND COMPLETION OF SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE**

Pursuant to the Subscription Agreement, Completion is subject to the fulfillment or waiver of certain conditions precedent, including but not limited to, the approval of the Whitewash Waiver at a duly convened extraordinary general meeting of the Company. As stated in the announcement of the Company dated 12 December 2022, while the resolution relating to the Subscription was passed, the resolution relating to the Whitewash Waiver was not passed at the extraordinary general meeting of the Company held on 12 December 2022.

On 11 May 2023, Tangshan Guokong issued to the Company a notice in writing to waive the conditions precedent requiring the passing of the necessary resolution at a duly convened extraordinary general meeting to approve the Whitewash Waiver by special resolution and the satisfaction of all conditions attached to the Whitewash Waiver granted by the Executive, being conditions precedent (c) and (d) as set out in the circular of the Company dated 18 November 2022, such that Completion shall no longer be conditional on the fulfillment of these conditions precedent.

Following the waiver of the aforementioned conditions precedent, all conditions precedent of the Subscription Agreement have been fulfilled or waived (as the case may be) and Completion took place on 11 May 2023 (after trading hours) as agreed in writing by Tangshan Guokong and the Company, the Offeror paid the total consideration of the Subscription to the Company on the same date.

## **MANDATORY CONDITIONAL CASH OFFERS**

Before Completion, neither the Offeror nor any party acting in concert with it owned (or had control or direction over) any Shares. Upon Completion which took place on the date of this joint announcement, the Offeror and parties acting in concert with it own 566,970,000 Shares, representing 38.00% of the total issued share capital of the Company as enlarged by the issue and allotment of the Subscription Shares.

Immediately after Completion which took place on the date of this joint announcement, the Company has (i) a total of 1,492,026,000 Shares in issue; and (ii) 66,260,000 Options, which may be exercised for an issue of 36,060,000 new Shares at a price of HK\$0.445 per Option and 30,200,000 new Shares at a price of HK\$0.343 per Option by the relevant Optionholders. Mr. Li Xin Qing and Mr. An Wei who in aggregate hold 1,200,000 Options have given the Irrevocable Undertakings not to exercise the Options before the close of the Offers. Save as disclosed above, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this joint announcement.

Pursuant to Rule 26.1 of the Takeovers Code, upon Completion, the Offeror is required to make a mandatory conditional cash offer for all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror and the parties acting in concert with it). Pursuant to Rule 13 of the Takeovers Code, the Offeror will make an appropriate cash offer to the Offer Optionholders to cancel all the Offer Options.

Accordingly, Guotai Junan Securities will, for and on behalf of the Offeror, make the Offers in compliance with the Takeovers Code on the following basis:

### **The Share Offer**

**For each Offer Share ..... HK\$0.34 in cash**

The Share Offer Price of HK\$0.34 is equal to the Subscription Price of the Subscription Shares under the Subscription Agreement. The Offer Shares to be acquired under the Share Offer shall be fully paid and clear of any Encumbrances and together with all rights and interests attaching thereto, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the Share Offer is made, being the date of the despatch of the Composite Document. The Company has no intention to make any distribution or declare dividends before the close of the Offers. As at the date of this joint announcement, the Company has no outstanding dividends which have not been paid.

**The Offeror will not increase the Share Offer Price for the Offer Shares as set out above. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Share Offer Price and the Offeror does not reserve the right to increase the Share Offer Price.**

The Share Offer Price of HK\$0.34 per Offer Share represents:

- (i) a premium of approximately 4.62% over the closing price of HK\$0.325 per Share as quoted on the Stock Exchange on the date of this joint announcement;
- (ii) a premium of approximately 3.03% over the closing price of HK\$0.33 per Share as quoted on the Stock Exchange on 18 October 2022, being the Last Trading Day;
- (iii) a premium of approximately 7.94% over the closing price of HK\$0.315 per Share as quoted on the Stock Exchange on 17 October 2022, being the date of the last trading day prior to the date of the Subscription Agreement;
- (iv) a premium of approximately 5.92% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day of approximately HK\$0.321 per Share;

- (v) a premium of approximately 4.62% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the ten (10) consecutive trading days up to and including the Last Trading Day of approximately HK\$0.325 per Share;
- (vi) a premium of approximately 2.32% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the one hundred and eighty (180) consecutive trading days up to and including the Last Trading Day of approximately HK\$0.3323 per Share;
- (vii) a discount of approximately 42.79% to the audited consolidated net asset value per Share attributable to the Shareholders of approximately HK\$0.5943 per Share as at 31 December 2022, calculated based on the Group's latest audited consolidated net assets attributable to the Shareholders of approximately RMB491,050,000 (equivalent to approximately HK\$549,721,809) as at 31 December 2022 and 925,056,000 Shares in issue immediately before Completion which took place on the date of this joint announcement; and
- (viii) a discount of approximately 7.72% to the audited consolidated net asset value per Share attributable to the Shareholders of approximately HK\$0.3684 per Share as at 31 December 2022, calculated based on the Group's latest audited consolidated net assets attributable to the Shareholders of approximately RMB491,050,000 (equivalent to approximately HK\$549,721,809) as at 31 December 2022 and 1,492,026,000 Shares in issue immediately after Completion which took place on the date of this joint announcement.

## **The Option Offer**

**For the cancellation of each of Offer Options ..... HK\$0.0001 in cash**

Pursuant to Rule 13 and Practice Note 6 of the Takeovers Code, the Option Offer Price would normally represent the difference between the exercise price of the Options and the Share Offer Price. As the outstanding Options have an exercise price of HK\$0.445 and HK\$0.343 per Option, which is above the Share Offer Price of HK\$0.34, and are therefore out-of-the-money, the Option Offer Price for the cancellation of each of the Offer Options will be a nominal cash amount of HK\$0.0001.

## **Conditions to the Offers**

The Share Offer is conditional only on valid acceptances being received in respect of such number of Offer Shares, which together with Shares owned, acquired or agreed to be acquired by the Offeror and parties acting in concert with it before or during the Share Offer, will result in the Offeror and parties acting in concert with it holding more than 50% of the voting rights in the Company. The Option Offer will be conditional on the Share Offer becoming or being declared unconditional in all respects.

Further announcement(s) in relation to the revision, extension or lapse of the Offers or the fulfillment of the conditions of the Offers shall be made in accordance with the Takeovers Code and Listing Rules in due course.

## **Highest and Lowest Closing Price of the Shares**

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period immediately preceding the commencement of the offer period (as defined under the Takeovers Code) (i.e. 18 April 2022) and up to and including the date of this joint announcement were HK\$0.355 per Share on 26 April 2022 and 23 June 2022 and HK\$0.26 per Share on 22 September 2022, respectively.

## **Irrevocable Undertakings**

On 11 May 2023, certain members of the Controlling Shareholder Group, namely, (1) Mr. Li Xin Qing, who holds 200,000 Shares and 600,000 Options granted to him by the Company on 23 July 2021; (2) Mr. An Wei, who holds 400,000 Shares and 600,000 Options granted to him by the Company on 23 July 2021; (3) Rich Talent Management Limited, which holds 7,985,418 Shares; (4) Genius Mind Enterprises Limited, which holds 197,724,457 Shares; (5) Great Passion International Limited, which holds 187,884,457 Shares; and (6) Honor Boom Investments Limited, which holds 82,458,117 Shares as at the date of this joint announcement, gave the Irrevocable Undertakings in favour of the Offeror. A total of 476,652,449 Shares and 1,200,000 Options are subject to the Irrevocable Undertakings.



Pursuant to the Irrevocable Undertakings, each of the Irrevocable Undertakings provider has undertaken that he/she/it shall (1) not accept the Offers in respect of the Shares and/or Options that he/she/it is on the date of the Irrevocable Undertakings, or he/she/it may become after the date of the Irrevocable Undertakings, the registered holder or beneficial owner; (2) in respect of each of Mr. Li Xin Qing and Mr. An Wei, not exercise the 600,000 Options granted to each of them by the Company on 23 July 2021 before the close of the Offers; (3) continue to be interested in the Shares and Options (in respect of Mr. Li Xin Qing and Mr. An Wei) that he/she/it is on the date of the Irrevocable Undertakings, or he/she/it may become after the date of the Irrevocable Undertakings, the registered holder or beneficial owner of, and shall not prior to the completion of the Offers, sell, transfer, dispose of, charge or pledge such Shares and/or Options (in respect of Mr. Li Xin Qing and Mr. An Wei); (4) at the request of the Offeror, he/she/it will dispose of a sufficient number of Shares to ensure that the public float of the issued Shares as enlarged by the Subscription is not less than 25% after the close of the Offers, provided that the Offeror will not, and will procure parties acting in concert with it not to, purchase any Shares (whether such Shares are purchased from the Controlling Shareholder Group or not) within six (6) months of the closing of the Share Offer; and (5) he/she/it confirms that he/she/it does not have any special voting arrangements in respect of the Shares that have not been disclosed to the Offeror, including but not limited to any special arrangement of concert party, voting entrustment etc.

The Irrevocable Undertakings shall terminate immediately if the Offers are not made in accordance with the requirements under the Takeovers Code in all material respects or the Offers close, lapse or are withdrawn.

### **Value of the Offers**

Immediately before Completion which took place on the date of this joint announcement, there were 925,056,000 Shares in issue. On the basis of the Share Offer Price of HK\$0.34 per Share, the entire issued ordinary share capital of the Company would be valued at HK\$314,519,040. Immediately after Completion which took place on the date of this joint announcement, there are 1,492,026,000 Shares in issue. On the basis of the Share Offer Price of HK\$0.34 per Share, the entire issued ordinary share capital of the Company would be valued at HK\$507,288,840.

As at the date of this joint announcement, under the Share Option Scheme, there are 66,260,000 Options outstanding, of which 54,240,000 Options are currently not yet vested and/or exercisable, and will automatically be vested and exercisable if the Share Offer is made and becomes unconditional. The outstanding Options have exercise prices of HK\$0.343 and HK\$0.445 per Option, which are prices above the Share Offer Price of HK\$0.34. Mr. Li Xin Qing and Mr. An Wei who in aggregate hold 1,200,000 Options have given the Irrevocable Undertakings not to exercise the Options before the close of the Offers and not to accept the Option Offer.

Assuming that there is no change in the issued share capital of the Company and excluding the 566,970,000 Shares held by the Offeror after Completion, 925,056,000 Shares (including the 476,652,449 Shares subject to Irrevocable Undertakings) could be subject to the Share Offer and 66,260,000 Options (including the 1,200,000 Options subject to the Irrevocable Undertakings) could be subject to the Option Offer. In the case that the Share Offer and the Option Offer are accepted in full: (i) the maximum consideration payable by the Offeror for the Share Offer is valued at approximately HK\$314,519,040; and (ii) the maximum consideration payable by the Offeror for the cancellation of all Options under the Option Offer is valued at HK\$6,626. The aggregate value of the Offers is approximately HK\$314,525,666.

### **Confirmation of Financial Resources**

The Offeror intends to finance the consideration payable under the Offers (assuming all outstanding Options are exercised before the close of the Offers and the Share Offer is accepted in full) with its own financial resources.

Guotai Junan Capital Limited, the financial adviser to the Offeror in respect of the Offers, is satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the amount required for the full acceptance of (i) the Share Offer involving 448,403,551 Shares (excluding the 476,652,449 Shares subject to Irrevocable Undertakings) i.e. approximately HK\$152,457,208 and (ii) the Option Offer involving 65,060,000 Options (excluding the 1,200,000 Options subject to the Irrevocable Undertakings) i.e. approximately HK\$6,506, which in aggregate amounts to approximately HK\$152,463,714.

## **Effect of Accepting the Offers**

Acceptance of the Share Offer by any Offer Shareholders will constitute a warranty by such person that all Offer Shares to be sold by such person under the Share Offer are fully paid and free and clear of all Encumbrances whatsoever together with all rights and interests attaching thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date of the Composite Document.

By validly accepting the Option Offer, the Offer Options tendered by the Offer Optionholders will be cancelled, together with all rights and interests attaching thereto.

Pursuant to the Share Option Scheme, after the Offers become or are declared unconditional, Optionholders shall, notwithstanding any other terms on which the Options were granted, be entitled to exercise the Option at any time thereafter and up to the close of the Offers. If the Options are not exercised during the period aforesaid, the Options will lapse automatically (to the extent not exercised) upon the close of the Offers.

Acceptance of the Offers would be irrevocable and would not be capable of being withdrawn, subject to the provisions of the Takeovers Code.

## **Payment**

Subject to the Offers having become, or have been declared, unconditional in all respects, payment in cash in respect of acceptances of the Offers will be made as soon as possible but in any event within seven (7) business days (as defined in the Takeovers Code) following the later of the date of receipt of a duly completed acceptance of the Offers, or the date on which the Offers become or are declared unconditional in all aspects.

Relevant documents evidencing title must be received by the Offeror (or its agent) to render such acceptance of the Offers complete and valid. The latest time on which the Offeror can declare the Offers unconditional as to acceptances is 7:00 p.m. on the 60th day after the despatch of the Composite Document (or such later date to which the Executive may consent). If the Offers are withdrawn or lapse, pursuant to Rule 20.2 of the Takeovers Code, the Offeror is required to, as soon as possible but in any event within ten (10) days thereof, post the Share certificates and Option certificates (if applicable) lodged with the forms of acceptance and transfer to, or make such Share certificates and Option certificates (if applicable) available for collection by, those Offer Shareholders and Offer Optionholders who have accepted the Offers.

No fractions of a cent will be payable and the amount of the consideration payable to an Offer Shareholder or an Offer Optionholder who accepts the Offers will be rounded up to the nearest cent.

## **Overseas Shareholders and Overseas Optionholders**

The Offeror intends to make the Offers available to all Offer Shareholders and Offer Optionholders, including the Overseas Shareholders and Overseas Optionholders. However, the Offers to persons not resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they are resident. The making of the Offers to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or limited by the laws or regulations of the relevant jurisdictions. Overseas Shareholders and/or Overseas Optionholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek independent legal advice. It is the responsibility of Overseas Shareholders and the Overseas Optionholders who wish to accept the Offers to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offers (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due from the accepting Overseas Shareholders and Overseas Optionholders in respect of such jurisdictions).

In the event that the despatch of the Composite Document to Overseas Shareholders or Overseas Optionholders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the Directors regard as unduly onerous or burdensome (or otherwise not in the best interests of the Company or Shareholders), the Composite Document may not be despatched to such Overseas Shareholders or such Overseas Optionholders.

For that purpose, the Company will apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. Any such waiver will only be granted if the Executive is satisfied that it would be unduly burdensome to despatch the Composite Document to such Overseas Shareholders or Overseas Optionholders. In granting the waiver, the Executive will be concerned to see that all material information in the Composite Document is made available to such Overseas Shareholders and Overseas Optionholders, as the case may be.

**Any acceptance of the Offers by any Overseas Shareholder and/or Overseas Optionholder will be deemed to constitute a representation and warranty from such Overseas Shareholder and/or Overseas Optionholder to the Offeror that the local laws and requirements have been complied with. Overseas Shareholders and Overseas Optionholders should consult their professional advisers if in doubt.**

## **Hong Kong Stamp Duty**

Offer Shareholders' Hong Kong ad valorem stamp duty arising in connection with acceptance of the Share Offer at a rate of 0.13% of the consideration payable in respect of the relevant acceptances, or (if higher) the value of the Shares as determined by the Collector of Stamp Revenue under the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong), will be deducted from the amount payable to the Offer Shareholders who accept the Share Offer. The Offeror will then arrange for payment of the stamp duty on behalf of those Offer Shareholders who accepted the Share Offer. The Offeror will bear the Offeror's ad valorem stamp duty in connection with the acceptance of the Share Offer and the transfer of the Offer Shares.

No stamp duty is payable in connection with the acceptance of the Option Offer.

## **Taxation Advice**

Offer Shareholders and Offer Optionholders are recommended to consult their own professional advisers as to the taxation implications of accepting or rejecting the Offers. It is emphasised that none of the Company, the Offeror or parties acting in concert with it or any of their respective directors, officers or associates or any other person involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

## **DEALING AND INTERESTS IN THE SECURITIES OF THE COMPANY**

The Offeror confirms that as at the date of this joint announcement:

- (a) save for the Completion of the Subscription Agreement which took place on the date of this joint announcement, neither the Offeror nor any person acting in concert with it has dealt for value in any Shares, convertible securities, warrants or options of the Company or any derivatives in respect of such securities in the six months prior to 18 October 2022, being the date of the initial announcement in relation to the Subscription, and up to and including the date of this joint announcement;
- (b) save for the Subscription Shares allotted and issued to the Offeror pursuant to the Subscription Agreement, neither the Offeror nor any person acting in concert with it owns or has control or direction over any voting rights or rights over the Shares or any outstanding options, warrants, or any securities that are convertible into Shares or any derivatives in respect of Shares nor has entered into any outstanding derivative in respect of securities in the Company;

- (c) save for the Subscription Agreement and the Irrevocable Undertakings, there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares and which might be material to the Offers;
- (d) neither the Offeror nor any person acting in concert with it has received any irrevocable commitment to accept the Offers;
- (e) save for the Subscription Agreement, there is no agreement or arrangement to which the Offeror or any person acting in concert with it, is a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a pre-condition or a condition to the Offers;
- (f) neither the Offeror nor any person acting in concert with it has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (g) there is no outstanding derivative in respect of the securities in the Company entered into by the Offeror or any person acting in concert with it;
- (h) save for the aggregate consideration of HK\$192,769,800 payable under the Subscription Agreement, there is no other consideration, compensation or benefits in whatever form paid or to be paid by any member of the Offeror and parties acting in concert with it to the Company or any party acting in concert with it in connection with the Subscription;
- (i) save for the Subscription Agreement and the Irrevocable Undertakings, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Company and parties acting in concert with it on one hand, and the Offeror and parties acting concert with it on the other hand; and
- (j) save for the Irrevocable Undertakings, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (a) any Shareholders; and (b) the Offeror and any parties acting in concert with it.

The Company confirms that that there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Company, its subsidiaries or associated companies and any Shareholders.

## INFORMATION OF THE GROUP

The Company is a company incorporated in the Cayman Islands with limited liability and the issued Shares of which have been listed on the Main Board of the Stock Exchange. The Group is principally engaged in (i) the supply of power electric products and equipment; (ii) the sales and leases of electric vehicles; (iii) provision of charging services for electric vehicles; and (iv) construction services of charging poles for electric vehicles under Build-Operate-Transfer (BOT) arrangements.

Set out below is a summary of the audited consolidated financial results of the Group for the years ended 31 December 2021 and 2022 prepared in accordance with the Hong Kong Financial Reporting Standards:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2021</b>	<b>2022</b>
	<i>(RMB'000)</i>	<i>(RMB'000)</i>
	(audited)	(audited)
Revenue	337,344	344,848
Profit (loss) after tax for the year	17,328	(18,601)

The audited net assets of the Group as at 31 December 2021 and 31 December 2022 were approximately RMB522,919,000 and RMB502,603,000, respectively.

## SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) immediately before the Completion; (ii) immediately upon the Completion and before the Offers (assuming no other changes to the issued share capital of the Company from the date of this joint announcement); and (iii) immediately upon the Completion and before the Offers (assuming no other changes to the issued share capital of the Company from the date of this joint announcement other than all outstanding Options, excluding the 1,200,000 Options subject to the Irrevocable Undertakings, are fully exercised):

Shareholders	Immediately before the Completion		Immediately upon the Completion and before the Offers		Immediately upon the Completion and before the Offers (assuming all outstanding Options are fully exercised other than Options subject to Irrevocable Undertakings)	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
The Offeror and parties acting in concert with it	-	-	566,970,000	38.00	566,970,000	36.41
The Controlling Shareholder Group:						
- Mr. Li Xin Qing (Note 1)	200,000	0.02	200,000	0.01	200,000	0.01
- Rich Talent Management Limited (Notes 1, 2 and 4)	7,985,418	0.86	7,985,418	0.54	7,985,418	0.51
- Genius Mind Enterprises Limited (Note 3)	197,724,457	21.38	197,724,457	13.25	197,724,457	12.70
- Mr. An Wei (Note 4)	400,000	0.04	400,000	0.03	400,000	0.03
- Great Passion International Limited (Notes 4 and 5)	187,884,457	20.31	187,884,457	12.59	187,884,457	12.07
- Honor Boom Investments Limited (Note 6)	82,458,117	8.91	82,458,117	5.53	82,458,117	5.30
- Mr. Li Xiao Bin	-	-	-	-	3,740,000	0.24
- Ms. Ou Yang Fen	-	-	-	-	3,500,000	0.22
Sub-total of the Controlling Shareholder Group	476,652,449	51.52	476,652,449	31.95	483,892,449	31.08
Public Shareholders	448,403,551	48.48	448,403,551	30.05	506,223,551	32.51
	<u>925,056,000</u>	<u>100.00</u>	<u>1,492,026,000</u>	<u>100.00</u>	<u>1,557,086,000</u>	<u>100.00</u>



*Notes:*

1. Mr. Li Xin Qing is the Chairman of the Board and an executive Director.
2. Rich Talent Management Limited is held as to 50% by Mr. Li Xin Qing and as to 50% by Mr. An Wei.
3. Genius Mind Enterprises Limited is wholly-owned by Mr. Li Xin Qing.
4. Mr. An Wei is an executive Director and the Chief Executive Officer of the Company.
5. Great Passion International Limited is wholly-owned by Mr. An Wei.
6. Honor Boom Investments Limited is owned by Mr. Li Xiao Bin as to 40%, Ms. Ou Yang Fen as to 30% and Mr. Cui Jian as to 30%.

## **INFORMATION OF THE OFFEROR**

The Offeror is a company incorporated in Hong Kong principally engaged in promotion of technology and new energy development and utilisation, and investment holding. It is wholly-owned by Tangshan Guokong which is in turn indirectly wholly-owned by 唐山市人民政府國有資產監督管理委員會 (Tangshan Municipal People's Government State-owned Assets Supervision and Administration Commission\*), a PRC government body.

Tangshan Guokong is principally engaged in digital information, new energy and environmental protection, finance, logistics and trading and conducts large-scale investment and financing in various industries related to its principal businesses.

## **INTENTION OF THE OFFEROR REGARDING THE GROUP**

Upon Completion, the Offeror has become a controlling shareholder (as defined under the Listing Rules) of the Company. The Offeror considers and confirms that (a) it is intended that the Group will maintain the listing of its Shares on the Stock Exchange and continue with its existing business following the Completion; and (b) it has no intention to (i) introduce any major changes to the existing business of the Group or (ii) discontinue the employment of any of the Group's employees (except for proposed change to the composition of the Board at a time no earlier than that permitted under the Listing Rules and the Takeovers Code as detailed in the section headed "Proposed Change to the Board Composition" below ) or (iii) redeploy the fixed assets of the Group other than in its ordinary course of business.

The Company has received the aggregate consideration under the Subscription Agreement (i.e. HK\$192,769,800) from the Offeror for, among others, investment as Completion took place. In the long run, the Offeror expects that the Company shall maintain its business and operation through its own generated revenue and cashflow and external financing. The Offeror would consider providing suitable guarantees for external financing of the Company to lower its financing costs when appropriate.

The Offeror intends to (i) retain certain Directors, including Mr. Li Xin Qing and Mr. An Wei, who are existing executive Directors, and the majority of the members of the senior management of the Group to continue to manage and operate the business of the Group; and (ii) recruit experts and consultants with relevant experience and expertise in relation to the principal business of the Group as members of the senior management of Tangshan Guokong to manage and supervise the business and operation of the Group.

As at the date of this joint announcement, no material investment or business opportunity has been identified nor has the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group.

## **PROPOSED CHANGE TO THE BOARD COMPOSITION**

The Board currently comprises two executive Directors, namely Mr. Li Xin Qing (Chairman of the Board) and Mr. An Wei (Chief Executive Officer of the Company); and three independent non-executive Directors, namely Mr. Li Wan Jun, Mr. Pang Zhan and Mr. Li Xiang Feng.

Pursuant to the Subscription Agreement and as a matter of good corporate governance, the Company will procure two existing independent non-executive Directors, namely Mr. Li Wan Jun and Mr. Pang Zhan who have been serving on the Board for over 14 and seven years respectively, to resign with effect from a date which is immediately after the first closing date of the Offers as required under Rule 7 of the Takeovers Code. As confirmed by the two to-be-resigned independent non-executive Directors, they have no disagreement with the Board.

As at the date of this joint announcement, the Offeror intends to nominate two executive Directors, one non-executive Director and two independent non-executive Directors to the Board. The Offeror intends to nominate the following proposed executive and non-executive Directors to the Board for appointment with effect from a date which is no earlier than such date as permitted under Rule 26.4 of the Takeovers Code. The above appointments and resignations will be made as and when appropriate in accordance with the Takeovers Code and the Listing Rules.

The biographical information of the proposed Directors nominated by the Offeror is set out below:

### **Proposed executive Directors**

#### **Mr. Gao Xia (高峽) (“Mr. Gao”)**

Mr. Gao, aged 51, has over 20 years of management experience. From 2001 to 2011, Mr. Gao worked in the United States of America. From 2011 to 2021, Mr. Gao successively served as assistant to the general manager, deputy general manager, deputy secretary of the party committee and general manager of Tangshan Caofeidian Development Investment Group Co., Ltd.\*. Since 2017, Mr. Gao also served as the general manager of Caofeidian State-owned Investment Group Co., Ltd\*. Since 2019, Mr. Gao has also served as the chairman of Tangshan Caofeidian Liancheng Technology Co., Ltd\*, a company listed on the National Equities Exchange And Quotations (NEEQ) in the PRC. From April 2022 to present, Mr. Gao has served as secretary of the party committee and chairman of Tangshan Guokong.

Mr. Gao has won several awards, including being awarded the second batch of “Hundred Talents Program” innovative talents in Hebei Province in 2012, and “Young and Middle-aged Experts with Outstanding Contributions” in Hebei Province in 2013. In 2019, Mr. Gao won the “Best Science and Technology Worker” of Tangshan City.

Mr. Gao obtained a bachelor degree with a major in automatic control engineering from Huazhong University of Science and Technology (華中理工大學) in July 1992. Mr. Gao also obtained a master’s degree in automatic control from Huazhong University of Science and Technology (華中理工大學) in April 1995. In 2002, Mr. Gao obtained a degree in doctorate of philosophy, majoring in electronics and computer engineering, from the University of Illinois at Urbana-Champaign in the United States.

Save as disclosed above, Mr. Gao (i) has not served in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) does not hold any other positions in the Company or any of its subsidiaries; and (iii) does not have any relationship with any director, senior management, substantial shareholder or controlling shareholder of the Company. As at the date of this joint announcement, Mr. Gao does not hold any Share interests within the meaning of Part XV of the SFO.

### **Mr. Bi Jingfeng (畢景峰) (“Mr. Bi”)**

Mr. Bi, aged 58, has more than 20 years of experience in finance. From 2003 to 2006, Mr. Bi was the manager of finance department of Hebei Changlu Daqinghe Salt Chemical Group Co., Limited\*. From 2006 to 2014, Mr. Bi served as the chief financial officer of Tangshan Caofeidian Dredging Co., Ltd.\* In 2014, Mr. Bi served as the deputy general manager and chief financial officer of Tangshan Caofeidian Development Investment Group Co., Ltd.\* and in 2017, Mr. Bi concurrently served as the chief financial officer of Caofeidian State-owned Investment Group Co., Ltd.\* Since April 2022, Mr. Bi has served as the deputy secretary of the party committee and the general manager of Tangshan Guokong.

Mr. Bi obtained a bachelor degree in financial accounting from Hebei Broadcasting Television University\* (河北廣播電視大學) in July 1989. Mr. Bi also obtained a bachelor degree from Hebei Broadcasting Television University\* (河北廣播電視大學) majoring in economic law in October 1996.

Save as disclosed above, Mr. Bi (i) has not served in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) does not hold any other positions in the Company or any of its subsidiaries; and (iii) does not have any relationship with any director, senior management, substantial shareholder or controlling shareholder of the Company. As at the date of this joint announcement, Mr. Bi does not hold any Share interests within the meaning of Part XV of the SFO.

### **Proposed non-executive Director**

#### **Mr. Jiang Wenqi (蔣汶岐) (“Mr. Jiang”)**

Mr. Jiang, aged 36, has over seven years of management experience. From June 2015 to present, Mr. Jiang was the deputy general manager of Tangshan Caofeidian Heating Co., Ltd\* (“**Caofeidian Heating**”) and since July 2016, Mr. Jiang also served as the secretary of the party committee of Caofeidian Heating. Since April 2020, Mr. Jiang has concurrently served as the general manager and since July 2022, Mr. Jiang has also served as the chairman of Caofeidian Heating. From April 2022 to present, Mr. Jiang has served as a member of the party committee and deputy general manager of Tangshan Guokong.

Mr. Jiang has won several awards, including being awarded the “Top Ten Outstanding Youth” in Caofeidian District in 2019. In 2021, Mr. Jiang won the “Model Worker and Craftsman Talent Innovation Studio” in Hebei Province and “Excellent Party Affairs Worker” in Hebei Province.

Mr. Jiang obtained a bachelor degree in civil engineering from Tianjin Institute of Urban Construction\* (天津城市建設學院) in June 2010.

Save as disclosed above, Mr. Jiang (i) has not served in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) does not hold any other positions in the Company or any of its subsidiaries; and (iii) does not have any relationship with any director, senior management, substantial shareholder or controlling shareholder of the Company. As at the date of this joint announcement, Mr. Jiang does not hold any Share interests within the meaning of Part XV of the SFO.

As at the date of this joint announcement, the Offeror has not reached any final decision as to who will be nominated as the new independent non-executive Directors. Further announcement(s)/disclosure(s) will be made upon any changes to the composition to the Board in accordance with the requirements of the Listing Rules and the Takeovers Code as and when appropriate.

## **PUBLIC FLOAT AND LISTING STATUS OF THE COMPANY**

The Offeror has no intention to privatise the Company and intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offers.

The Stock Exchange has stated that if, at the close of the Offers, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public at all times, or if the Stock Exchange believes that:

- (a) false market exists or may exist in the trading of the Shares; or
- (b) there are insufficient Shares in public hands to maintain an orderly market,

then it will consider exercising its discretion to suspend dealings in the Shares until the prescribed level of public float is restored.

The Offeror and the new Directors to be appointed to the Board (if any) will undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares, which may include but not limited to placing down of sufficient number of accepted Shares by the Offeror and/or issue of new Shares by the Company for this purpose. Save for the arrangements under the Irrevocable Undertakings, no arrangements have been confirmed or put in place as at the date of this joint announcement. Further announcement(s) will be made in accordance with the requirements of the Listing Rules and the Takeovers Code as and when appropriate.

## **DESPATCH OF COMPOSITE DOCUMENT**

Pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch an offer document containing the terms of the Offers, together with the Form(s) of Acceptance, to the Offer Shareholders and Offer Optionholders within twenty-one (21) days after the date of this joint announcement, or such later date as the Executive may approve.

It is the intention of the Offeror and the Company to combine the offer document and the offeree board circular into the Composite Document. Accordingly, the Composite Document containing, among other things, (i) the details of the Offers (including the expected timetable and terms of the Offers); (ii) a letter of recommendation from the Independent Board Committee in relation to the Offers; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in relation to the Offers, together with the Forms of Acceptance, will be issued and despatched by the Offeror and the Company jointly to the Offer Shareholders and the Offer Optionholders in accordance with the Takeovers Code.

**The Offer Shareholders and Offer Optionholders are encouraged to read the Composite Document carefully, including the advice of the Independent Financial Adviser to the Independent Board Committee and the recommendation from the Independent Board Committee to the Offer Shareholders and Offer Optionholders in respect of the Offers, before deciding whether or not to accept the Offers.**

## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

Pursuant to Rule 2.1 of the Takeovers Code, the Independent Board Committee, comprising all the independent non-executive Directors namely, Mr. Li Wan Jun, Mr. Pang Zhan and Mr. Li Xiang Feng who have no direct or indirect interest in the Offers, has been established to make recommendations to the Offer Shareholders and Offer Optionholders (where applicable) on whether the terms of the Offers are fair and reasonable and as to the acceptance of the Offers.

The Board, with the approval of the Independent Board Committee, has appointed China Sunrise Capital Limited as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offers, and in particular, as to whether the Offers are fair and reasonable and as to the acceptance of the Offers pursuant to Rule 2.1 of the Takeovers Code.

The advice of the Independent Financial Adviser and the recommendation of the Independent Board Committee in respect of the Offers, in particular as to whether the terms of the Offers are fair and reasonable and as to acceptance of the Offers pursuant to Rule 2.1 of the Takeovers Code, will be included in the Composite Document and despatched to the Offer Shareholders and Offer Optionholders.

## **DISCLOSURE OF DEALINGS**

In accordance with Rule 3.8 of the Takeovers Code, associates of the Company or the Offeror (including persons holding 5% or more of a class of relevant securities of the Company or the Offeror) are reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

The full text of Note 11 of Rule 22 of the Takeovers Code is reproduced below pursuant to Rule 3.8 of the Takeovers Code:

*“Responsibilities of stockbrokers, banks and other intermediaries*

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

## **WARNING**

**Shareholders, Optionholders and potential investors should note that the Independent Board Committee has yet to consider and evaluate the Offers. The Directors make no recommendation as to the fairness or reasonableness of the Offers or as to the acceptance of the Offers in this joint announcement. Shareholders and Optionholders should read the Composite Document carefully, including the recommendations of the Independent Board Committee in respect of the Offers and a letter of advice from the Independent Financial Adviser, before forming a view on the Offers.**

**Shareholders, Optionholders and potential investors are advised to monitor the announcements to be made by the Company or jointly by the Offeror and the Company in respect of the progress of the Offers and exercise caution when dealing in the securities of the Company. If Shareholders, Optionholders and potential investors are in any doubt about their position, they should consult their professional advisers.**

## **DEFINITIONS**

In this joint announcement, the following terms shall have the meanings set out below, unless the context otherwise requires:

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Board”	the board of Directors
“Company”	China Titans Energy Technology Group Co., Limited, a company incorporated under the laws of the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 2188)
“Completion”	completion of the Subscription in accordance with the terms and conditions of the Subscription Agreement
“Composite Document”	the composite offer and response document to be jointly issued by the Offeror and the Company in relation to the Offers in accordance with the Takeovers Code



“Controlling Shareholder Group”	the group of controlling Shareholders of the Company which consists of (1) Genius Mind Enterprises Limited and its sole beneficial owner Mr. Li Xin Qing; (2) Great Passion International Limited and its sole beneficial owner Mr. An Wei; (3) Rich Talent Management Limited; and (4) Honor Boom Investments Limited and its beneficial owners Mr. Li Xiao Bin, Ms. Ou Yang Fen and Mr. Cui Jian
“Director(s)”	the director(s) of the Company from time to time
“Encumbrance(s)”	all pledges, charges, liens, mortgages, security interests, preemption rights, options, equities, power of sale, hypothecations, retentions of title, rights of first refusal and any other encumbrances or third party rights or claims of any kind or any obligation to create any of the foregoing
“Executive”	the Executive Director of the Corporate Finance Division of the SFC from time to time or any delegate of the Executive Director
“Form(s) of Acceptance”	the form(s) of acceptance and transfer of Shares in respect of the Offers
“Group”	the Company and its subsidiaries from time to time
“Guotai Junan Securities”	Guotai Junan Securities (Hong Kong) Limited, a licensed corporation to carry out Type 1 (dealing in securities), Type 2 (Dealing in Futures Contracts) and Type 4 (advising on securities) regulated activities under the SFO, being the agent making the Offers on behalf of the Offeror
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Board Committee”	an independent committee of the Board comprising all three (3) independent non-executive Directors, namely Mr. Li Wan Jun, Mr. Pang Zhan and Mr. Li Xiang Feng established for the purpose of providing recommendations in respect of the Offers, in particular as to whether the terms of the Offers are fair and reasonable and as to acceptance of the Offers pursuant to Rule 2.1 of the Takeovers Code
“Independent Financial Adviser”	China Sunrise Capital Limited, a licensed corporation under the SFO, registered to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the independent financial adviser to be appointed for the purpose of advising the Independent Board Committee in respect of whether the Offers are fair and reasonable and as to acceptance
“Irrevocable Undertakings”	the irrevocable undertakings dated 11 May 2023 given by certain members of the Controlling Shareholder Group, namely, (1) Mr. Li Xin Qing, (2) Mr. An Wei, (3) Rich Talent Management Limited, (4) Genius Mind Enterprises Limited, (5) Great Passion International Limited and (6) Honor Boom Investments Limited, in respect of a total of 476,652,449 Shares and 1,200,000 Options, in favour of the Offeror that he/she/it will, <i>inter alia</i> , not accept the Offers, not exercise the Options held (where applicable) and assist to maintain the public float of the Company
“Last Trading Day”	18 October 2022, being the last trading day of the Shares on the Stock Exchange before the publication of the announcement for the Subscription
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 May 2023 (or such later date as may be agreed between the Company and the Offeror in writing)

“Offers”	collectively, the Share Offer and the Option Offer
“Offer Option(s)”	all and any of the Options that are subject to the Option Offer
“Offer Optionholder(s)”	Optionholder(s), other than the Offeror and parties acting in concert with it
“Offer Share(s)”	all and any of the Shares that are subject to the Share Offer
“Offer Shareholder(s)”	Shareholder(s), other than the Offeror and parties acting in concert with it
“Offeror”	Tangshan Guokong Science and Technology Innovation Investment Group Co., Limited (唐山國控科技創新投資集團有限公司), a company established in Hong Kong with limited liability which is wholly owned by Tangshan Guokong and has been nominated by Tangshan Guokong to subscribe for the Subscription Shares and act as the offeror in the Offers
“Option(s)”	outstanding share options granted by the Company pursuant to the Share Option Scheme
“Option Offer”	the mandatory conditional cash offer to be made by Guotai Junan Securities for and on behalf of the Offeror to cancel all the Offer Options in accordance with the Takeovers Code
“Option Offer Price”	the price at which the Option Offer is made, being HK\$0.0001 per Offer Option
“Optionholder(s)”	holder(s) of the Option(s)
“Overseas Optionholder(s)”	Offer Optionholder(s) whose address(es), as shown on the register of Optionholders of the Company, is/are outside Hong Kong
“Overseas Shareholder(s)”	Offer Shareholder(s) whose address(es), as shown on the register of members of the Company, is/are outside Hong Kong

“PRC”	the People’s Republic of China which, for the purpose of this joint announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Offer”	the mandatory conditional cash offer to be made by Guotai Junan Securities, for and on behalf of the Offeror, to acquire all the issued Shares not already owned and/or agreed to be acquired by the Offeror and/or parties acting in concert with it in accordance with the Takeovers Code
“Share Offer Price”	the price at which the Share Offer is made, being HK\$0.34 per Offer Share
“Share Option Scheme”	the share option scheme adopted by the Company on 18 December 2020, as amended from time to time
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Subscription Shares by the Offeror on the terms and subject to the conditions of the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 18 October 2022 entered into between Tangshan Guokong and the Company in respect of the Subscription

“Subscription Shares”	566,970,000 new Shares subscribed by the Offeror on the terms and subject to the conditions of the Subscription Agreement
“Takeovers Code”	the Code on Takeovers and Mergers
“Tangshan Guokong”	唐山國控科創有限公司 (Tangshan Guokong Science and Technology Limited*), a company established in the PRC with limited liability which wholly-owns the Offeror
“Whitewash Waiver”	the whitewash waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code in respect of the obligation of Tangshan Guokong to make a mandatory general offer for all the issued Shares and other securities of the Company not already owned or agreed to be acquired by Tangshan Guokong and any parties acting in concert with it arising as a result of Tangshan Guokong subscribing for the Subscription Shares under the Subscription Agreement
“%”	per cent

\* *For identification purpose only*

By order of the sole director of  
**Tangshan Guokong Science and Technology  
Innovation Investment Group Co., Limited**  
**Gao Xia**  
*Sole director*

*By order of the Board*  
**China Titans Energy Technology  
Group Co., Limited**  
**Li Xin Qing**  
*Chairman*

Hong Kong, 11 May 2023

*As at the date of this joint announcement, the Board comprises two executive Directors, namely Mr. Li Xin Qing and Mr. An Wei; and three independent non-executive Directors, namely Mr. Li Wan Jun, Mr. Pang Zhan and Mr. Li Xiang Feng.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to the Offeror and parties acting in concert with it), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the sole director of the Offeror and the directors of Tangshan Guokong) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.*

*As at the date of this joint announcement, the sole director of the Offeror is Mr. Gao Xia and the directors of Tangshan Guokong are Mr. Gao Xia, Mr. Bi Jingfeng and Mr. Tao Chen.*

*The sole director of the Offeror and the directors of Tangshan Guokong jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to the Group), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.*